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STRICT OF CALIFORNIA
Case No.
CLASS ACTION COMPLAINT
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JURY TRIAL DEMANDED

CLASS ACTION COMPLAINT

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Plaintiff, Marc Guisinger, by and through his undersigned counsel, individually and on behalf of all others similarly situated, against Defendant, Keystone RV Corporation ("Keystone"), seeks damages, equitable and/or declaratory relief. Plaintiff's allegations are based upon personal knowledge and experience, and upon information and belief, including an investigation conducted by the undersigned attorneys. Plaintiff alleges:

NATURE OF THE ACTION

- 1. This is a straightforward false advertising case.
- 2. Defendant Keystone manufactures camping trailers, also known as towable recreational vehicles ("RVs"). Keystone claims to be the number one manufacturer of towable RVs in North America with more than a million owners.
- 3. One popular line of towable RVs manufactured by Keystone is the "Passport Ultra Lite" RV trailers ("Trailers"). Keystone's marketing and advertising claim that the Trailers use five-inch steel rafters or trusses¹ in the Trailers' roofs.
- 4. This is of particular importance because galvanized steel rafters offer better durability and rigidity over the life of the trailer when compared to other materials, such as wood, which can rot and is less durable.
- 5. After Plaintiff, Marc Guisinger, purchased a Trailer and then later sought to install solar panels on its roof, he was informed that, contrary to the affirmative advertisements by Keystone, his Trailer's trusses were made from wood, not galvanized steel as advertised. Because wood is not as strong and durable as galvanized steel, Plaintiff was unable to install solar panels, as desired.
- 6. But for Keystone's false advertising, Plaintiff and the putative Class would not have purchased a Trailer from Keystone, or otherwise would have paid less for the Trailer.

¹ "Rafters" and "trusses" are used interchangeably throughout the Complaint.

7. As a result of Keystone's false advertising, Plaintiff and the putative Class have been damaged in that they did not receive the benefit of their bargain.

8. Plaintiff therefore brings this action, on behalf of himself and all others similarly situated, for violations of California's Unfair Competition Law, the California Consumers Legal Remedies Act, California False Advertising Law, and unjust enrichment.

JURISDICTION

- 9. This Court has jurisdiction over this litigation pursuant to 28 U.S.C. § 1332(d), as the matter is brought as a class action under Rule 23 of the Federal Rules of Civil Procedure, and the sum of the amount in controversy exceeds \$5,000,000. The requirement of minimal diversity is met as the dispute is between citizens of different states. *See* 28 U.S.C. § 1332(d)(2)(A).
- 10. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because the causes of action for Plaintiff and the putative Class arose in California, and the Defendant regularly transacts business in this District and within California.

PARTIES

Plaintiff:

11. Plaintiff, Marc Guisinger, is a natural person and a citizen of the State of New Mexico. Plaintiff purchased a new 2017 Keystone Passport 199 MLWE Ultra Lite Grand Touring Travel Trailers from Trailer Hitch RV Center, in Nipomo, San Luis Obispo County, California on May 18, 2017. The trailer's VIN number is 4YDT19923HX415851.

Defendant:

Defendant, Keystone RV Company, is a corporation incorporated pursuant to the laws of the State of Indiana with its principal place of business located at 2642 Hackberry Drive, Goshen, Indiana.

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FACTUAL ALLEGATIONS

A. Keystone Misrepresents Its Use of Steel Trusses

- 12. Keystone manufactures and sells a variety of recreational vehicles and trailers, including the Trailers.
- 13. As relevant here, Keystone advertises and markets the Trailers as using fiveinch galvanized steel rafters or trusses in the Trailers' roofs.
- 14. For example, Keystone's marketing brochure for the Trailers includes a cutaway illustration and detailed legend describing the "5 [inch] Crowned/Stamped Galvanized Steel Roof Trusses" used in the Trailers:



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15. Similarly, in video advertisements, Keystone touts the Trailers' use of "five-inch galvanized steel rafters, which are 200% stronger than the five-inch aluminum rafters that many other coaches use, and they don't sweat or condensate." The image below is from a video advertisement that shows the purported steel rafter.



- 16. In addition, Keystone's official website, www.keystonerv.com, advertised the Trailers as using "Stamped galvanized 5" thick crowned rafters."
- 17. Consumers desire trailers that use galvanized steel rafters because they provide better durability and rigidity over the life of the trailer when compared to other materials, such as wood, which can rot and is less durable.
- 18. Unfortunately, contrary to Defendant's advertising and marketing, the Trailers do not use five-inch galvanized steel rafters; rather, they use cheaper and less desirable wood rafters.
- 19. Prior to purchasing his Trailer, Plaintiff spent six months researching trailers and visiting different dealerships before eventually purchasing his Trailer.

² See https://youtube.com/lSRjEWqsdrg; https://www.youtube.com/watch?v=dks-MpwahUQ.

- 20. Prior to purchasing his Trailer, when Plaintiff visited the Keystone dealership, Trailer Hitch RV Center, he was provided with a marketing brochure that advertised the Trailer as using galvanized steel rafters. On information and belief, all Keystone dealerships provide prospective purchasers of the Trailers with similar marketing brochures that advertise and represent the Trailers as using steel rafters.
- 21. Plaintiff specifically purchased the Trailer because, based on Defendant's advertising and marketing, including Keystone's marketing brochure, Keystone's website, and conversations with a Keystone dealership employee, he believed the Trailer used galvanized steel rafters, which would provide a more secure foundation for mounting multiple solar panels, as well as provide greater rigidity and durability than wood rafters.
- 22. In preparation to install solar panels, in late January/early February 2022, Plaintiff called Keystone to request blueprints for the roof's structural frame and the placement of trusses. Plaintiff was told that Keystone would not provide the blueprints, and that Plaintiff should contact his dealership.
- 23. Plaintiff then contacted a local Keystone dealer and asked for the blueprints as well as confirmation that his Passport Trailer used steel rafters. Despite the clear representations to the contrary, the Keystone dealer, after contacting a Keystone company technician/engineer, stated that the Passport Trailers did *not* use steel rafters and never, in fact, did.
- 24. Thereafter, Plaintiff removed the bezel from one of the ceiling vents in his Trailer, removed the insulation, and confirmed that wood—not steel—rafters were used in the roof of his Trailer.

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Photographs of the Wooden Trusses Used in Plaintiff's Trailer





On December 5, 2022, Plaintiff was advised by a Keystone dealer that 25. "[a]fter review, [his Trailer] has a non-walkable roof" and that adding solar panels "is a modification to the [Trailer] that [it] would not advise upon."

- 26. Keystone's blatant misrepresentation that the Trailers use steel rafters is material to reasonable consumers, including Plaintiff, who relied on the misrepresentation in deciding to purchase the Trailers.
- 27. Absent Keystone's affirmative misrepresentation that the Trailers used steel rafters, Plaintiff and reasonable consumers would not have purchased the Trailers or would have paid considerably less for them.
- 28. Based on Keystone's material misrepresentation, reasonable consumers, including Plaintiff, purchased the Trailers to their detriment. Accordingly, Plaintiff and reasonable consumers were injured by Keystone's material misrepresentation that the Trailers used steel rafters.

B. Tolling of the Statute of Limitations

- 29. Plaintiff and Class members had no way of knowing about Keystone's deception concerning the Trailers' roof trusses, which are not visible unless portions of the Trailer are removed, as described above.
- 30. Within the time period of any applicable statutes of limitation, Plaintiff and the Class members could not have discovered through the exercise of reasonable diligence that Keystone concealed its use of wood trusses in its Trailers instead of steel trusses as affirmatively represented and advertised.
- 31. Plaintiff and Class member did not discover, and did not know of, facts that would have caused a reasonable person to suspect that Keystone concealed information about the wood trusses in the Trailers, which was only discovered by Plaintiff after he was informed by a dealership, and then removed the bezel and insulation from the ceiling of his Trailer (which was affirmatively advertised as having steel trusses) and discovered the wood trusses.
- 32. For these reasons, all applicable statutes of limitations have been tolled by operation of the discovery rule with respect to claims as to the Trailers.

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C. Fraudulent Concealment Tolling

- 33. All applicable statutes of limitations have also been tolled by Keystone's knowing and active fraudulent concealment of the facts alleged herein throughout the time period relevant to this action.
- 34. Keystone fraudulently concealed the fact that it was using wood, as opposed to the advertised steel, for the trusses in its Trailers.

D. Estoppel

- 35. Keystone was under a continuous duty to disclose to Plaintiff and Class members the true character of the Class Trailers' use of wood, as opposed to the advertised steel, for the roofs' trusses.
- 36. Based on the foregoing, Keystone is estopped from relying on any statutes of limitations in defense of this action.

CLASS ACTION ALLEGATIONS

- 37. Plaintiff brings his claims as class claims pursuant to Fed. R. Civ. P. 23. The requirements of Fed. R. Civ. P. 23(a), and (b)(3) are met with respect to the Class defined below.
 - 38. Plaintiff proposes a Class defined as follows:

All persons who purchased a Keystone Trailer in the State of California advertised as having fiveinch galvanized steel rafters or trusses in the Trailers' roofs.

- 39. Excluded from the Class are Defendant Keystone and any entities in which Defendant has a controlling interest, any of Defendant's parents, subsidiaries, affiliates, officers, directors, employees and members of such person's immediate families, the presiding judge(s) in this case and his/her immediate family.
- 40. <u>Numerosity</u>: Plaintiff believes, and therefore avers, that Keystone has sold hundreds, if not thousands, of Keystone Trailers in California. Accordingly, individual

joinder of all the Class members is impracticable. The Class is readily identifiable using vehicle registration documents and Keystone's customer information.

- 41. <u>Commonality and Predominance</u>: Questions of law and fact are common to Plaintiff, and the Class, and they predominate over questions affecting only individual members. Common questions include:
 - (a) Whether Keystone affirmatively misrepresents that it uses steel, as opposed to wood, for the Trailers' trusses;
 - (b) Whether there is a material difference between the use of wood versus steel for the Trailers' trusses;
 - (c) Whether Plaintiff and the Class paid more for the Trailers than they otherwise would have had Keystone disclosed the trusses were made from wood as opposed to steel; and
 - (d) Whether Plaintiff and the Class are entitled to damages.
- 42. <u>Typicality</u>: Plaintiff's claims are typical of the claims of the Class described above, and they arise from the same course of conduct by Keystone. The relief Plaintiff seeks is typical of the relief sought for the absent Class members.
- 43. <u>Adequacy</u>: Plaintiff will fairly and adequately represent and protect the interests of all absent Class members. Plaintiff is represented by counsel competent and experienced in class action litigation.
- 44. <u>Superiority:</u> A class action is superior to other available methods for the fair and efficient adjudication of the controversy. Class treatment of common questions of law and fact is superior to multiple individual actions or piecemeal litigation. Moreover, absent a class action, most Class members would likely find the cost of litigating their claims prohibitively high and would therefore have no effective remedy at law.
- 45. The prosecution of separate actions by individual Class members would create a risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct for Keystone. In contrast, the conduct of this action as a class action

presents far fewer management difficulties, conserves judicial resources and the parties' resources, and protects the rights of each Class member.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

Violation of California Unfair Competition Law (Cal. Bus. & Prof. Code § 17200, et seq.)

On Behalf of the Class

- 46. Each of the preceding paragraphs is incorporated by reference as though fully set forth herein.
- 47. Plaintiff brings this cause of action on behalf of himself, and on behalf of the other Class members, against Keystone for its unlawful, unfair, and/or deceptive business acts and practices pursuant to California's Unfair Competition Law (UCL), Business & Professions Code § 17200 *et seq.*, which prohibits unlawful, unfair and/or fraudulent business acts and/or practices.
- 48. This claim is predicated on the duty to refrain from unlawful, unfair and deceptive business practices. Plaintiff and the Class members hereby seek to enforce a general proscription of unfair business practices and the requirement to refrain from deceptive conduct.
- 49. The UCL prohibits acts of "unfair competition." Cal. Bus. & Prof. Code § 17200. As used in this section, "unfair competition" encompasses any "unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising." *Id*.
- 50. Keystone engaged in unfair, deceptive and/or misleading advertising in violation of the UCL.

- 51. Keystone affirmatively misrepresents the Trailers use steel rafters.³ In reality, Keystone uses wood, not steel, for the rafters in its Trailers.
- 52. Keystone should be enjoined from any further advertising of these Trailers as containing steel trusses. Plaintiff might purchase a Trailer in the future, despite the fact it was once marred by false advertising, as he may reasonably, but incorrectly, assume the Trailer was improved—that is, used steel trusses.
- 53. Keystone should also be required to issue corrective statements advising Trailer owners that the trusses are made of wood, not steel, and Keystone should be disgorged of all monies and revenues generated as a result of such practices, and all other monies and revenues generated as a result of this false advertising, and all other relief allowed under the California Business & Professions Code § 17200.

SECOND CAUSE OF ACTION Violation of California Consumers Legal Remedies Act ("CLRA") Cal. Civ. Code § 1750, et seq. On Behalf of the Class

- 54. Each of the preceding paragraphs is incorporated by reference as though fully set forth herein.
 - 55. Keystone is a person as defined by California Civil Code § 1761(c).
- 56. Plaintiff and the Class members are "consumers" as defined in California Civil Code § 1761(d).
- 57. Keystone engaged in unfair and deceptive acts in violation of the CLRA through the practices described herein, and by intentionally and knowingly misrepresenting

³ See, e.g., https://youtube.com/ISRjEWqsdrg; https://www.youtube.com/watch?v=dks-MpwahUQ (advertising that the Trailers use "five-inch galvanized steel rafters, which are 200% stronger than the five-inch aluminum rafters that many other coaches use, and they don't sweat or condensate.")

the nature of the material used for the trusses in the Trailers. This conduct violates, at a minimum, the following sections of the CLRA:

- Representing that the Trailers have (i) "characteristics . . . [or] benefits, which [they do] not have" (1770(a)(5));
- Representing that the Trailers are of "a particular standard, quality, or grade," when they are of another (1770(a)(7)); and
- "Advertising goods . . . with the intent not to sell them as advertised" (1770(a)(9)).
- 58. Keystone's unfair and deceptive acts or practices occurred repeatedly in Keystone's trade or business and were capable of deceiving a substantial portion of the purchasing public.
- 59. On December 8, 2022—more than 30 days before the filing of this action—on behalf of Plaintiff, undersigned counsel served Keystone with a notice of its violations of the CLRA pursuant to California Civil Code § 1782 regarding the Trailers. *See* Exhibit A. Keystone did not respond.
- 60. Plaintiff's and the Class members' injuries were proximately caused by Keystone's fraudulent and deceptive business practices.
 - 61. Plaintiff and the Class members seek all relief available under the CLRA.

THIRD CAUSE OF ACTION

Violation of California False Advertising Law Cal. Bus. & Prof. Code § 17500, et seq. On Behalf of the Class

- 62. Each of the preceding paragraphs is incorporated by reference as though fully set forth herein.
- 63. California Business & Professions Code § 17500, prohibits "unfair, deceptive, untrue or misleading advertising."

- 64. Keystone violated § 17500 by representing, through false and misleading advertising, and through other express representations, that the Trailers use galvanized steel rafters.
- 65. Plaintiff and Class members have suffered injury in fact, including the loss of money or property, as a result of Keystone's unfair, unlawful, and/or deceptive practices. Plaintiff and the Class members relied on Keystone's misrepresentations with respect to the use of steel for the Trailers' trusses. Had Plaintiff and the Class members known this, they would not have purchased the Trailers or would have paid much less for them. Accordingly, Plaintiff and the Class overpaid for their Trailers and did not receive the benefit of the bargain.
- 66. All of the wrongful conduct alleged herein occurred, and continues to occur, in the conduct of Keystone's business. Keystone's wrongful conduct is part of a pattern or generalized course of conduct that is still perpetuated and repeated throughout the State of California.
- 67. Plaintiff and the Class request that the Court enter such orders or judgments as necessary to enjoin Keystone from continuing its unfair, unlawful, and/or deceptive practices and to restore Plaintiff and Class members any money Keystone acquired by unfair competition including restitution and/or restitutionary disgorgement, and for all such other relief as permitted by law.

FOURTH CAUSE OF ACTION Unjust Enrichment On Behalf of the Class

- 68. Each of the preceding paragraphs is incorporated by reference as though fully set forth herein.
- 69. Plaintiff and the Class have conferred a benefit upon Keystone in the form of money paid for the Trailers.

- 70. Keystone appreciates and/or has knowledge of the benefits conferred on it by Plaintiff and the Class.
- 71. Under principles of equity and good conscience, Keystone should not be permitted to retain the money obtained from Plaintiff and the Class, which Keystone had unjustly obtained as a result of its unlawful conduct in violation of law. Keystone should not be permitted to retain the ill-gotten gains it received.
- 72. Accordingly, Plaintiff and the Class seek full disgorgement and restitution of any money Keystone received as a result of the unlawful and/or wrongful conduct alleged herein.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf all others similarly situated, respectfully request that this Court enter judgment against Keystone and in favor of Plaintiff, and grant the following relief:

- A. Determine that this action may be maintained as a Class action with respect to the Class identified herein; certify a class action pursuant to Rule 23 (b)(2) and (3) and designate and appoint the named Plaintiff herein and his counsel to serve as Class Representatives and Class Counsel;
- B. Damages, including actual, compensatory, general, special, incidental, statutory, punitive, and consequential damages and disgorgement in an amount to be determined at trial;
 - C. An order enjoining Defendant from continuing the challenged conduct;
- D. Grant Plaintiff and the Class members their costs of suit, including reasonable attorneys' fees and expenses, as provided by law;
- E. Awarding pre- and post-judgment interest, to the extent allowed by law; and
- F. Grant Plaintiff and the members of the Class such other, further, and different relief as the nature of the case may require or as may be determined to be just,

1 equitable, and proper by this Court. 2 **JURY TRIAL DEMAND** 3 Plaintiff, by his counsel, request a trial by jury on those causes of actions set forth 4 herein. 5 Date: February 23, 2023 By: /s/ *Christopher D. Moon* Christopher D. Moon (SBN 246622) 6 Kevin O. Moon (SBN 246792) 7 **MOON LAW APC** 600 W. Broadway, Suite 700 8 San Diego, CA 92101 9 Tel: (619) 915-9432 Fax: (650) 618-0478 10 chris@moonlawapc.com 11 kevin@moonlawapc.com 12 Simon Bahne Paris 13 Patrick Howard SALTZ, MONGELUZZI, 14 & BENDESKY, P.C. 15 One Liberty Place, 52nd Floor 1650 Market Street 16 Philadelphia, PA 19103 17 Tel: (215) 575-3986 sparis@smbb.com 18 phoward@smbb.com 19 Daniel E. Gustafson 20 Karla M. Gluek **GUSTAFSON GLUEK PLLC** 21 Canadian Pacific Plaza 120 South Sixth 22 Street, Suite 2600 Minneapolis, Minnesota 55402 23 Tel: (612) 333-8844 24 Fax: (612) 339-6622 dgustafson@gustafsongluek.com 25 kgluek@gustafsongluek.com 26 Counsel for Plaintiffs and the Proposed 27 Class 28